



**CITY OF SCOTTSDALE
DESERT DISCOVERY CENTER PHASE III FEASIBILITY COMMITTEE**

WEDNESDAY, FEBRUARY 22, 2012

**ARIZONA STATE UNIVERSITY SKYSONG
ROOM 249, IMAGINATION
1475 NORTH SCOTTSDALE ROAD
SCOTTSDALE, ARIZONA 85257
MINUTES**

MEMBERS PRESENT: Mike Nolan, Chair
Nancy Dallett
Melinda Gulick (arrived at 8:18 a.m.)
Ken Travous

ABSENT: Patrick Weeks, Vice Chair

STAFF: Kroy Ekblaw
Bill Peifer
Bob Tunis
Lusia Galav

GUESTS: John Sather
Peter Cass
Dan Gruber

Call to Order/Roll Call

Chair Nolan called the meeting of the Desert Discovery Center Phase III Feasibility Committee to order at 8:16 a.m. A formal roll call confirmed a quorum of members present as stated above.

1. Approval of Minutes

- Regular Meeting: February 8, 2012

COMMITTEE MEMBER TRAVOUS MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 8, 2012. COMMITTEE MEMBER DALLETT SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3)

TO ZERO (0). COMMITTEE MEMBER GULICK WAS NOT YET PRESENT, AND VICE CHAIR WEEKS WAS ABSENT.

2. Agenda Items

- Discussion, Review and Possible Action on the Draft Committee Recommendations to the City Council

Chair Nolan noted that Vice Chair Weeks, though unable to attend the meeting, submitted his comments on the Committee recommendations draft.

Chair Nolan raised the issue of timing between the Committee and the eventual hiring of an operator for the DDC. As soon as an operator is established, they should take over the duty of monitoring the fundraising conditions on an annual basis. Committee Member Dallett agreed, but felt that if no suitable candidate emerged from the RFP process, an entity outside the City should continue to push the effort along. Chair Nolan felt that the draft language should be modified to encourage the RFP to move forward as rapidly as feasible. Ultimately, the operator will provide the best leadership. Mr. Ekblaw explained that it would take some time to develop an RFP, issue it, and go through the selection process. He suggested the Committee could assist the City Council with the periodic review until an operator is selected. The Committee agreed with that suggestion.

Committee Member Gulick suggested an additional change to reinforce the notion that the best way to move the project forward is to find an operator, rather than relying on the City, or looking back on the Committee. In response to an inquiry from Committee Member Gulick, Mr. Ekblaw said the bond could cover exhibit costs, while ownership can be established in a more detailed agreement with the operator. Rotating exhibits, or future updates of the exhibits, are expected to be covered by either operating revenues or other generated funds. Chair Nolan said the operator should have the freedom to make any changes to the exhibits that are necessary to drive attendance. If the City owns them, it could be difficult for the operator to make required changes, but that could be addressed in the contract.

Committee Member Gulick suggested avoiding use of the word "endowment" to describe a portion of the funds to be raised in the initial capital campaign; suggesting instead an "operating reserve" as a more accurate description. An endowment is something different. In the first couple of years, the DDC will likely have to expend more than the interest off the capital.

Committee Member Dallett inquired whether the private capital campaign feasibility study group would be making a presentation to City Council. Committee Member Gulick explained that she intends to discuss the outcome of the group's discussions during individual meetings with City Council members. The group engaged no consultant, and did not create a formal report. Committee Member Dallett felt that the group came across as too mysterious in the draft. Chair Nolan agreed that a revision would help clarify the nature of the effort. Mr. Ekblaw offered that Committee Member Gulick coordinated the effort to evaluate the feasibility of private funding.

Committee Member Gulick noted that the Committee never reached a consensus on the immersive experience. Committee Member Dallett suggested saying that the Committee supports the proposed programming components, including themed exhibits and "an" immersive experience. Regarding the immersive experience particularly, considering that technology changes so rapidly, the DDC operator should have the freedom to determine the storytelling devices, and the price for conceiving and creating an immersive experience.

Committee Member Dallett asked whether it would make sense to add a projected time frame within which to complete the RFP process. Mr. Ekblaw advised against doing that, since the RFP would not use a standard process. The attention should be focused on initiating the process as soon as possible, rather than trying to conform to a specific time frame, which might prove to be unachievable.

COMMITTEE MEMBER TRAVOUS MOVED TO APPROVE THE REPORT ON THE COMMITTEE'S RECOMMENDATIONS, AS AMENDED, AND TO GIVE THE CHAIRMAN FINAL EDITORIAL REVIEW. COMMITTEE MEMBER GULICK SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

- Review Updated Schedule – Presentations to Boards/Commissions, Stakeholders and City Council

Mr. Ekblaw stated that he presented the Committee's funding recommendation to the Tourism Development Commission and, in general, they were supportive. The TDC will receive an overall presentation on the DDC during their March 20 meeting. The McDowell Sonoran Preserve Commission meets on March 1, and the Committee's recommendations will be presented to them at that time. Staff is targeting the March 8 Economic Development Subcommittee for a presentation, and the full City Council is due to receive a presentation during their March 27 work-study session. That meeting will also feature presentations from the Bond Commission and the MSPC.

3. Staff and Committee Updates (A.R.S. 38-431.02(K))

No further reports.

4. Public Comment

Dan Gruber suggested mentioning the possibility of realizing cost reduction opportunities without fundamentally changing the project in the Committee's report. It would be good to know what that number is before any attempts are made to raise funds. Chair Nolan felt that such a decision should best be left to the operator. Mr. Ekblaw said he saw this decision as part of the project design, which would involve both the operator and the City.

5. Identification of Future Agenda Items

No further agenda items were proposed.

6. Discuss, Review and Possible Action to authorize Chairman Nolan to approve the Final DDC Phase II Feasibility Committee Meeting Minutes

COMMITTEE MEMBER GULICK MOVED TO ALLOW THE CHAIRMAN TO APPROVE THE FINAL MEETING MINUTES ON BEHALF OF THE COMMITTEE. COMMITTEE MEMBER TRAVOUS SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0). VICE CHAIR WEEKS WAS ABSENT.

7. Adjournment

With no further business to discuss, the Committee meeting adjourned at 9:00 a.m.

Respectfully submitted,
A/V Tronics, Inc. DBA AVTranz.